



CHIEF FINANCIAL OFFICER
JEFF ATWATER
STATE OF FLORIDA

May 12, 2016

Mariano V. Fernandez, P.E.
City of Miami Beach, Director/ Building Official
1700 Convention Center Drive
Miami Beach, Florida 33139

Re: Workers' Compensation exemptions

Dear Mr. Fernandez:

I received your letter dated April 20, 2016, requesting clarity in regard to workers' compensation exemptions in the construction industry.

Section 440.103, Florida Statutes (2015), requires every employer to furnish the permit issuer with proof the employer has secured compensation *for its employees* "as a condition to applying for and receiving a building permit." "Proof of compensation" includes "a certificate of coverage issued by the carrier, a valid exemption certificate approved by the Department, or a copy of the employer's authority to self-insure" § 440.103, Fla. Stat. (2015).

Pursuant to section 440.10(1), Florida Statutes (2015),

(b) In case a contractor sublets any part or parts of his or her contract work to a subcontractor or subcontractors, all of the employees of such contractor and subcontractor or subcontractors engaged on such contract work shall be deemed to be employed in one and the same business or establishment, and the contractor shall be liable for, and shall secure, the payment of compensation to all such employees, except to employees of a subcontractor who has secured such payment.

(c) A contractor shall require a subcontractor to provide evidence of workers' compensation insurance. A subcontractor who is a corporation and has an officer who elects to be exempt as permitted under this chapter shall provide a copy of his or her certificate of exemption to the contractor.

A workers' compensation exemption applies only to the exemption holder. All other employees and subcontractors engaged in the same contract work must also be insured or exempt.

Sincerely,

Tanner Holloman
Director

FLORIDA DEPARTMENT OF FINANCIAL SERVICES

Tanner Holloman • Director

Division of Workers' Compensation

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